The A. F. of L. Weekly News Service gives a brief summary of important matters affecting labor, occurring in the industrial, legislative and judicial fields, and such other information that will benefit the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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Strong reasons make strong actions.—Shakespeare.

WHOLE NO. 1067. WILLIAM GREEN, President WASHINGTON, D. C., SATURDAY, SEPTEMBER 19, 1931 FRANK MORRISON, Secretary VOL. 21, NO. 28.

Tragedy of the Part-Time Worker

The tragedy of the part-time worker who has a family to support is poignantly revealed by C. J. Freund, a social worker, in an article in the Commonweal describing distressing economic conditions in Milwaukee.

According to Mr. Freund, the Family Welfare Association of Milwaukee has fixed $98.19 as the minimum cost of the monthly budget required for the support of a family of five, the parents and three children of school age. Here is the budget: Food, $25.75; clothing, $18.90; rent, $25; fuel, $5.79; light and water, $1.75; household supplies, $5.00; household expenses, $10; insurance, $2; car fare, $4.

Mr. Freund points out that this "is merely a relief budget, and does not include medical and dental attention, educational expenses, societies, recreation, and other items required for a full, normal life."

It is apparent that on this basis a laborer who earns around 50 cents an hour and works full time, eight hours a day for the six-day week, with earnings of about $100 a month, is compelled by even a small reduction in his working time to give his family a living below the charity standard established by the Welfare Association.

Nor is the common laborer the only one whose family standards are destroyed by part-time employment. The skilled mechanic with his 80 and 90 cents per hour and up is also compelled to lower the living standard for his family. Mr. Freund tells the tabloid story of one skilled worker hit by part time:

> Recently I investigated the case of a family whose monthly requirements for the bare necessities of existence were $97.50. The father's earnings had averaged $39 per month for three months. His wage rate had not been reduced. He was merely working on a short schedule of hours because of the depression. And any social worker will testify that this is by no means an unusual case.

Mr. Freund also punctures the favorite sophism of certain owners and managers of industry and their economists who claim that dividend reductions and 10 or 15 per cent decreases in pay for high-salaried executives are the equivalent of part-time work and wage cuts for workers:

> "I don't know why you make such a fuss about the men," a manufacturer complained a few days ago. "They are making 65 per cent of their best earnings, and my income is less than 38 per cent of what it used to be. They are better off than I am."
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> This is a familiar and fallacious line of reasoning. When the manufacturer's income is reduced it means that he cannot afford a contemplated trip abroad or to Bermuda or Alaska, or that he cannot make an investment or buy a new car or build a country home, or he may even have to give up some of his club memberships, but there is enough to eat and to wear for himself and his wife, and for his children, if he has any.
>
> But as soon as the workingman's pay is reduced, he and his family must get along with less meat, vegetables, butter, milk and bread.

An economic system which produces 5,000,000 or more workers totally unemployed and compelled to support their families entirely on pauper standards devised by charity organizations, and which develops another 5,000,000 workers placed on part time with the consequent reduction in living standards, cannot expect to receive for long the social sanction of the American people.

Usurious Charges for Home Financing

Labor has declared times without number that home ownership is seriously retarded by usurious financing. This contention receives emphatic confirmation in a statement by Arthur T. North, vice chairman of the committee on industrial relations of the American Institute of Architects, who says that 36 per cent is not an unusual commission for placing second mortgages.

Mr. North's criticism was prepared primarily for the benefit of concerns engaged directly and indirectly in the building industry, whose business it is claimed is seriously handicapped by high charges for home financing. But the following excerpts show how usurious financing victimizes the home buyer:

> Commissions charged for secondary financing usually range from 20 to 30 per cent in dwelling construction, and even go as high as 36 per cent.
>
> This condition forms a burdensome handicap to home ownership, and is an intolerable, unscientific and uneconomic situation constituting a direct challenge to the social, business and financial abilities of this country.
>
> As the proceeds from second mortgages, under present conditions, equal only 70 to 80 per cent of the second mortgage obligation, the owner often is compelled to retrench by the use of inferior and cheaper materials and workmanship, resulting in sub-grade structures and imperiling the value of the first mortgage investment.
>
> There are undoubtedly thousands of persons at all times who have requisite funds for the initial investment and they would be a source of stimulation and maintenance of building construction activity were it not that the cost of second mortgage money, being prohibitive, causes them too often to refrain from undertaking home ownership.

When Mr. North refers to usurious financing of second mortgages resulting in the contractor using inferior material and thus "imperiling" the first mortgage, he is of course speaking from the interest of the investor. It is apparent that the one who actually stands the cost is the home owner who buys a house built of "inferior and cheaper materials." At the same time, for every $100 of second mortgage financing which the builder includes in the price of the house, the home buyer receives not more than $70 worth of housing, and even that is constructed of second rate material and by low-grade labor.

President Hoover's Conference on Home Building and Home Ownership is investigating all phases of this subject. It is believed the Conference will present concrete plans for freeing home owners from the usurious burden of 20 to 36 per cent interest when it convenes in Washington on December 2.

Roberts Urges National Industrial Conference to Consider Jobless

Washington, Sept. 19.—A national conference of the representatives of Labor and Industry convened by the President of the United States to consider the unemployment question was the outstanding recommendation made by William C. Roberts, chairman of the Legislative Committee of the American Federation of Labor and representative of William Green, president of the Federation, to the American Legion Unemployment parley.

The shorter work week, allocation of the jobless to the various industries, and work assurance, he said, are among the subjects which would properly come before such a conference.

"Work assurance should be definitely extended to the millions of workers now employed," Mr. Roberts declared. "They ought to know what the coming winter has in store for them. Shall they be secure in the positions they now hold or shall they live in fear and suspense wondering if they, too, must join the army of unemployed?

"A conference composed of employers and employes, representing the industries of the Nation, called by the President of the United States, could answer the question. In my opinion it is the duty of the President to convene such a conference. The existing emergency calls for such action.

"Those who control work opportunities, who possess the power to allocate all work available, who through a division of this work can prevent an in crease of unemployment, should tell the world in a positive and definite way that all workers now employed are secure in the positions they occupy.

"Such a statement made by a conference called by the Chief Executive of the Nation would have a most profound economic effect. It would serve to release a flood of buying power now held in check because of fear, fear in the hearts and minds of working people that they may soon become unemployed. Why not try this plan—why not do something to break down the barrier which holds back the buying power of the people?

"Congress in special session could not produce this result. Those associated with private industry can, and can do it quickly. Which shall it be, continued unemployment, frozen buying power and perhaps anarchy, or work assurance through work allocation, publicly proclaimed?

"We are seeking to have the employers of the country allocate the work in their plants or work shops. If it is necessary in order to give all the employes work instead of laying any of them off they should reduce the work-week to 5, 4 or even 3 days a week. As it is now those who are employed bear the burden of the unemployed. The unemployed when out of funds depend upon their relatives or friends or charity. But if they could be given 3 or 4 days a week they would be able to tide themselves over until a better day.

"There are two other important features causing unemployment. Children should be kept at schools. They should not be permitted to work and take the place of fathers who have families to support. Children are employed because they work cheap.

"We not only advocate a 5-day week, but we also urge a shorter work day if necessary to give everybody employment. There are approximately 3,000,000 enterprises in the United States. Some of them employ thousands of men. It would not be difficult for them to shorten the work week in order to give work to the unemployed.

"The American Federation of Labor has a plan which it believes will meet with success. Nearly two years after the stock crash President Hoover called a meeting of employers of labor and afterwards of representatives of Labor to consult with him. He urged that employers should not reduce wages and he urged Labor not to engage in any wage controversies except those already in process of negotiation. President Hoover will tell you that plan was kept by Labor until some employers began recently to reduce wages.

"President Green and the Executive Council of the American Federation of Labor, which represents 4,000,000 members throughout the country, and who also talk for the unorganized, urged President Hoover to call a meeting of employers and Labor to consider how best to relieve unemployment. There is no doubt that in a conference of this kind between employers and representatives of Labor an agreement can be reached which will be of incalculable benefit to our Nation."

Morrison Urges 5-Day Week Remedy for Idle

Boston, Mass., Sept. 19.—The five-day week with no reduction in the standard rate of pay was emphasized as an important remedy for unemployment by Frank Morrison, secretary of the American Federation of Labor, in an address before the annual convention of the International Typographical Union here.

"There are at present 2,000,000 workers who can never receive employment except through the reduction of hours and days of work because of the introduction into industry of labor-saving and labor-replacing machinery," he said. "All workers must have shorter hours. It is better that some work less time than that others do not work at all."

"This country of wealth," he continued, "is able to feed all. None should go hungry. This remedy should come soon. These millions of unemployed will not stand peacefully by and see men, women and children slowly starve. The great political organizations of this country fully appreciate this situation.

"I remember that at the start of the Coolidge administration the late Samuel Gompers and I visited the President and warned him of the situation. Industry, he said, would take care of that. Well, industry won't. The trade unions and the workers alone can.

"What have the Chamber of Commerce of the United States and the National Association of Manufacturers, two great representatives of industry, done? They have not contributed one suggestion. Their attitude seems to be to use unemployment as an excuse to cut wages.

"What has labor done? I hold that labor has presented a remedy or plan, and that is the plan sponsored by the American Federation of Labor, which met here a year ago. That plan is the five-day week, with no reduction in the standard rate of pay."

Morrison then outlined the various resolutions passed at the 1930 American Federation of Labor convention in Boston. Child labor was vigorously condemned by the convention, he said, but there are now 103,000 more children employed than before. This, he claimed, "is a sad commentary on affairs when there are millions of adults willing and anxious to work."

Morrison summarized some of the achievements of the organized workers since he was a delegate to the American Federation of Labor convention in 1897. Among them he mentioned developing the organization of the miners from a union of 7,000 members in that year to more than 400,000, and the increase of union labor in the United States from 256,000 members in 1897 to more than 4,000,000.

He told of the fight against the Citizens Alliances which spent millions unsuccessfully to break up the union movement, and recounted the seven-year campaign which resulted in the passage of the Clayton Act.

He spoke of the campaign now being waged for Federal anti-injunction legislation and the defeat of Judge Parker for the Supreme Court of the United States as two of the most recent efforts of which the American Federation of Labor is proud.

BRITISH IDLE BENEFIT REDUCED $129,000,000

London, England, Sept. 19.—Economies effect a total saving of $250,160,000 proposed in the budget submitted to the House of Commons by the new national government include $129,000,000 reduction of unemployment insurance benefits and $50,000,000 increase of unemployment insurance premiums.

Bristol, England, Sept. 19.—Arthur Henderson, Secretary for Foreign Affairs in the late Labor Government and now leader of the new government's opposition in the House of Commons, told the annual meeting of the Trades Union Congress that although he is a free trader he is ready to support a 20 per cent revenue tariff as an emergency measure to meet the cost of unemploymnt insurance.

"If I am faced with a large cutoff in payments to the unemployed," he said, "and a 20 per cent revenue tariff as an emergency expedient, the revenue accruing therefrom to be assigned for unemployment purposes—if that would meet the situation, I am going to try the value of that experiment."

RYAN AND MORESCHI DISCUSS IDLE IN U. S.

Bristol, England, Sept. 19.—Joseph P. Ryan, president of the International Longshoremen's Association, and Joseph V. Moreschi, president of the International Hod Carriers, Building and Common Laborers' Union of America, fraternal delegates of the American Federation of Labor to the annual meeting of the Trades Union Congress, included unemployment in their addresses to the Congress.

Mr. Ryan declared unemployment in the United States was as bad as in Great Britain and constituted an indictment of the industrial order. "While we have been equipping our industries in mass the last ten years," he said, "we have failed to equip the workers for mass buying."

Mr. Moreschi said the experience of the past two years in the United States demonstrated the trade union principle of the maintenance of high wages to have been essential to balance industrial prosperity. "In America we are agreed that the cure for unemployment is not in the dole, but in work," he declared.

N. Y. JOBLESS INCREASE; WHITE COLLAR IDLE GROW

New York, Sept. 19.—Leaders in voluntary local relief efforts told a meeting of vice chairmen of the Commerce and Industry Division of the Unemployment Relief Committee that the jobless situation was decidedly worse than last year.

Henry D. Gibson, chairman of the emergency committee which raises funds, said the situation was twice as serious as last year with unemployment covering all classes and with a greater increase in the white collar class than in any other group.

Cornelius N. Bliss, president of the Association for the Improvement of the Condition of the Poor, said that his organization was swamped with twice as many applications for assistance than last year. Savings of many persons had been exhausted and they were applying for aid for the first time. Milk consumption has fallen off for 20 per cent as compared with this period last year. Mr. Bliss said he regarded this as a "very significant and startling signal" as indicating wholesale undernourishment for children.

N. J. LABOR FEDERATION ASKS 8 HOURS FOR FIREMEN

Camden, N. J., Sept. 19.—The convention of the New Jersey State Federation of Labor adopted a resolution urging Governor Larson to summon the New Jersey Legislature in special session to deal with unemployment relief and unemployment insurance.

The convention also endorsed the 8-hour day for all uniformed firemen in New Jersey after John S. Gann, president of the New Jersey State Uniformed Firemen's Association, had declared that firemen throughout the country were working 10, 14, and even 24 hours a day.

PRESIDENT SUMMONS HOME-OWNING PARLEY

Washington, Sept. 19.—President Hoover's Conference on Home Building and Home Ownership will be held in Washington from December 2 to 5. It is expected that approximately 1,400 persons will participate in the conference, including 1,000 representative citizens associated with building and housing activities from all the States.

The conference is the first of its kind on a large scale in this country. It will deal with the whole question of home construction and ownership and of home environment, the President states. It will, he added, embrace finance, design, equipment, city planning, household management and numerous other aspects.

"It is unnecessary to point out," the President's statement said, "the beneficial effect which a well-considered nation-wide program directed to the extension of home building and home ownership in the immediate future would have upon our current employment and economic situation."

SPECIAL SESSION OF N. J. LEGISLATURE FOR JOBLESS

Newark, N. J., Sept. 19.—The Newark City Commission decided that a special session of the State Legislature is necessary to meet the unemployment relief situation. The commission members said there are between 50,000 and 60,000 jobless in Newark alone and expressed the belief that conditions throughout the rest of New Jersey are equally bad. Last year the city spent $1,000,000 for relief work.

Mayor J. T. Congleton favored a co-operative plan for taking care of the jobless whereby the State would meet dollar for dollar the expenditures of local committees.

5-DAY WEEK TO PREVENT STARVATION CURLEY SAYS

Boston, Mass., Sept. 19.—The five-day week as a cure for unemployment was urged by Mayor James Curley in an address of welcome to the annual convention of the International Typographical Union here.

Curley urged delegates to help "stop America from wandering around in circles as it has been doing for the last two years. Faith is all right, but it will never keep a man from starving to death. The sooner that some of the preachers of 'have faith in America' put the five-day week into effect the sooner starving men will be able to earn a day's pay."

ILL. LABOR FEDERATION DEMANDS 5-DAY WEEK

Galesburg, Ill., Sept. 19.—Recommendations that the Illinois Federation of Labor work for the adoption of a five-day week and a six-hour day without reduction of pay was made in the report of the executive committee of the Federation at the 46th annual convention here.

President R. G. Soderstrom expressed the same idea and declared that wage cuts will not bring back prosperity.

"Only when consumers are made out of employes will we have return of good times," he declared. "Two days rest in seven and a shorter day will bring employment, happiness, and prosperity for all of America's workers."

FOREIGN BANKERS HIT AUSTRIAN IDLE DOLE

Vienna, Austria, Sept. 19.—It is charged in Austrian labor circles that foreign financiers insisted that Austrian unemployment insurance benefits be decreased and wages of State employes cut before they would consider making a loan to the Government.

The Arbeiter Zeitung, speaking for Austrian Labor, declares the wages and jobless benefit cuts were not necessary, and points out that the savings demanded could be made on the army "on which $16,000,000 has been squandered uselessly for police and gendarmerie expenditures which, in the last four years, have so unduly increased."

Trades Union Congress Hits Wage Cuts; Endorses State-Owned Transport Services

Bristol, England, Sept. 19.—The policy of wholesale wage cutting advocated by certain British employers would lead to international competition in the reduction of wages and cause a further slump in prices, declared the General Council of the Trades Union Congress in a report on plans to bring about business recovery.

The Council insisted that basic British industries must be reconstructed on modern lines as public utility services and that the international policy must be directed to the achievement of world peace and the revision of international debts and reparations.

The Congress reaffirmed its belief in the nationalization of the mines and endorsed a resolution from the three railway unions urging the acquisition of railways and other transport undertakings under a national transport authority.

The Congress passed a resolution calling upon Parliament to bring the iron and steel industry of Great Britain within the control of a public utilities corporation. The plan was presented by the Iron and Steel Trades Confederation.

The Congress also adopted a resolution welcoming the present tendency toward comprehensive planning of the economic life of the nation and the regulation of trading relations.

DOHERTY'S $500,000 FOR JOBLESS STUDY

New York, Sept. 19.—Dr. Roy V. Wright, president of the American Society of Mechanical Engineers, would make no statement of what would be done with the $500,000 which Henry L. Doherty, public utilities leader, has offered for a thorough and scientific study, under the direction of the engineers of this country, of means of alleviating the unemployment situation. He expressed the hope that such a study would mean "in the final analysis, that every worker in our land will be insured stable employment and a comfortable wage."

Mr. Wright's observation about a "comfortable wage" shows that he is not fitted to conduct such an investigation. The workers perform the necessary labor of wealth production. The spirit of the workers in the United States and throughout the world is for a portion of the wealth produced commensurate with the functions of Labor in its production. That portion goes far beyond the conception embraced in a "comfortable wage."

There are around 45,000,000 workers in the United States engaged in what the U. S. Census Bureau describes as "gainful occupations"—working for wages and salaries. Through the application of labor-displacing machinery and work systems Labor has increased its productivity to fabulous amounts. But the employers, including the Dohertys, have kept the working week at the same length despite this increased productivity, and the engineers, who have installed the labor-displacing machinery and systems, have not lifted their voices very high, if at all, against this antisocial practice.

The unemployment question could be settled promptly if those who own and operate industry would apply the Labor policy of reducing the length of the working week to whatever extent may be necessary to put everybody to work, and keep up the hours reduction as rapidly as new labor-displacing machinery makes it possible.

AUTO PLANTS LEAD IN FIVE-DAY WEEK

Washington, Sept. 19.—A five-day week has been made effective as a temporary measure by 44.3 per cent of the automobile industry, according to a survey on the extension of the movement for a shorter working week made by the Bureau of Statistics of the U. S. Department of Labor.

The Bureau canvassed 37,857 establishments representing 77 industries. The establishments employ 3,941,792 persons. Of the total number of establishments, 5.6 per cent had established the five-day week as a temporary measures, while 2.4 per cent had made it permanent.

Three industries characterized by highly skilled craftsmen fell below automobile manufacturers in adopting the five-day week during the business depression. In the radio industry, 34.4 per cent of the employes worked on a five-day week basis, in textile, dyeing and finishing industries, 27 per cent, and in the aircraft industry, 24.9.

The survey says that the building trades were among the first to experiment with the five-day week, and were reported in June to have that basis for one or more crafts in 190 cities and towns. In 44 cities, all crafts in the building trades were on a five-day week basis.

HAVANA RAIL STRIKERS WIN WAGE CONCESSIONS

Havana, Cuba, Sept. 19.—Havana street car service, suspended more than a month, was resumed as the result of a wage agreement between company officials and striking motormen and conductors.

Under the agreement motormen and conductors will be paid 26 cents an hour as a minimum based on daily receipts of $10,000, with a rising scale of wages of one cent for each $500 in the receipts up to 33 cents when the receipts total $13,500 daily.

The men struck on August 1 against a wage cut ordered by the officials of the Havana Electric Company, which is owned by American investors. It is estimated that the 44-day strike cost the company $400,000.

The strikers originally demanded 32 cents an hour, but in compromising on 26 cents they have won a considerably higher wage than originally fixed by company officials in their wage cut decree.

SWOPE PRESENTS OLD AGE AND JOB INSURANCE PLAN

New York, Sept. 19.—Gerard Swope, president of the General Electric Company, at the annual dinner of the National Electrical Manufacturers' Association, presented a plan for the organization of industry designed to stabilize production and consumption, minimize unemployment and to solve adequately, from the employers' viewpoint, the problem of security for the worker and his family in illness, disability, involuntary idleness, old age and death.

Mr. Swope declared that the plan was drawn up for the electric light and power industry, but added that it could be adapted to any other industry.

On the employers' side the dominating force would be trade associations, composed of the organized employers. The plan appears to give no consideration to the trade unions as the organized body to represent the workers. The voice of the employes would manifest itself through company unions, which every trade unionist knows are dominated by the employers.

Mr. Swope said that if the owners of industry did not make a gesture toward various forms of workers' insurance by the owners of industry he feared the Government would step in and do something in that direction.

BAN ON CHILD LABOR ASKED TO GIVE WORK TO JOBLESS

Boston, Mass., Sept. 19.—Abolition of child labor as a remedy for unemployment was advanced by James T. Moriarty, president of the Massachusetts State Federation of Labor, in an address before the annual convention of the International Typographical Union here.

"Take the children between the ages of 10 and 16 years out of industry, and thereby make jobs for their fathers," he said.

PUBLIC PRINTER CARTER FAVORS FIVE-DAY WEEK

Boston, Mass., Sept. 19.—George H. Carter, Public Printer of the United States Government, declared he favored the five-day week in industry in an address before the convention of the International Typographical Union here.

Green Hits Sales Tax As Oppression of Poor

Accumulated wealth and those who receive the greatest benefits should pay more of the costs of government than those whose earnings and incomes do not enable them to buy a living up to the American standard.

The sales tax reverses this equitable principle of taxation.

With this ringing declaration as his keynote, William Green, president of the American Federation of Labor, urges the Labor movement to take the lead in opposition to the sales tax recently advocated by certain United States Senators.

"The American Federation of Labor is opposed to the imposition of a sales tax," declared Mr. Green.

"It will exercise all influence at its command to prevent the enactment of sales tax legislation.

"It is unfair and unjust that a tax of this kind should be imposed upon the masses of the people, particularly at a time when it is impossible for them to bear any additional burdens of taxation.

"The theory upon which our tax structure has been erected provides for the imposition of taxes upon the wealth of the Nation and upon those who are best able to pay.

"The ability to pay taxes rather than the opportunity to collect should govern our legislative bodies in the enactment of tax legislation.

"The cost of government should rest more heavily upon those who receive the greatest benefits, upon accumulated wealth, upon accumulated earnings, and those whose earnings and incomes are inadequate to maintain an American standard of living should be protected from the imposition of taxation of this character.

"The sales tax is in contradiction to this theory because in operation it would collect from the poor and the unfortunate, those who are unable to pay and who ought to be relieved, so far as possible, from any burden of additional taxation.

"The convention of the American Federation of Labor which will meet on October 5 will deal very directly and concretely with the proposal to impose a sales tax. It is my opinion that the officers and delegates in attendance at this convention, representing many millions of working men and women, will, in a most positive way, adopt a declaration in opposition to the enactment of any form of sales tax legislation.

"The bold proposals recently made by influential members of the United States Senate in favor of the enactment of sales tax legislation ought to awaken the masses of the people to the seriousness of the situation.

"Unless an aroused public opinion makes itself felt the sponsors of this sales tax legislation will exercise all efforts at their command to force the enactment of this legislation at the next session of Congress. Labor regards it as a duty and an obligation to oppose most strenuously the enactment of sales tax legislation.

THE CRISIS OF SOCIETY

By REINHOLD NIEBUHR

Associate Professor of Philosophy of Religion in Union Theological Seminary

(Editor's Note: The following excerpts are taken from an address delivered by Professor Niebuhr before the recent World Young Men's Christian Association Conference in Cleveland, Ohio.)

We are living in a critical period, socially and politically, not only because the underprivileged of the world are fired with a new enthusiasm and a more robust impatience, but because they are subject to more grievous ills than heretofore.

We are immersed in a world-wide economic depression. Various causes are assigned to it, but among all the varying symptoms which prompt varying diagnoses none is more obvious than that the world is glutted with goods while millions of unemployed starve. We are faced with the problem of overproduction, both in raw products and in manufactured articles.

The fears of Malthus are a kind of ironic memory in view of our kind of world, where men starve in the midst of bursting granaries. We are not producing too much, but we are producing more than the people of the world can buy. That is hardly surprising when we discover that 85 per cent of the people of the richest nation on earth have an income of less than $1,500 per year.

In other words, we have produced an industrial civilization which is more efficient in the production of goods than in the distribution of them. That is not altogether surprising since the production of goods is an engineering problem, while the distribution of goods is a social and a moral problem. Just as our engineers have created an economically interdependent world which we cannot control, they have created an efficient machine which we have not yet brought under the dominion of conscience.

Our great urban centers are filled with miserable multitudes who lack all those privileges of rural serenity and neighborly kindness which once made even poverty sufferable, while they have gained none of those advantages by which an industrial civilization boasts that it outweighs the disadvantages which it created. **No doubt we will pass through this immediate period of depression, but until we find a way of distributing the goods which the machine produces more equitably, every period of prosperity will be followed by another of such a period of misery as this one.** For in the absence of a more equitable system of distribution we are bound to push products on the market until the market is glutted and to force capital into production, until once more the whole structure breaks down of its own weight. . . . Only a socially intelligent socity, able to fashion the instruments of control which will hold the self-will and lust for power of those who now benefit from the productivity of the machine, in check, will be able to avert catastrophe.

Facing such critical situations on every hand in our social life, every institution of the ideal, including every Christian institution, faces the peculiar task of developing resources of moral and intellectual idealism which will operate not only within terms of a social system, but in the interest of its progressive adjustment to new situations.

The most glaring weakness of religious idealism is that it takes a situation for granted. It prompts strong men to be kind to weak men, but not to raise ultimate questions about the sources of power and weakness. It encourages worth-while philanthropies but has difficulty in realizing that philanthropy may frequently be a veil behind which injustice hides.

Wherever religious idealism tends to sanctify a system which is essentially unjust, the odor of sanctity which it imparts becomes a stench in the nostrils of those who see the whole situation. That is why the advancing forces of social justice are so frequently anti-religious.

Protect Jobless From Starvation And Nothing More, Strawn Says

Chicago, Sept. 19.—The statement that the millions of unemployed should be given enough pauper relief to keep them from absolute starvation and nothing more, a defense of the owners and managers of industry for their failure to do anything tangible to remedy unemployment, an attack on the American system of representative government, and a brief for the rich in their concentration of the most of our national wealth in their own hands and inferentially of the methods by which they have brought about the wealth concentration, were the outstanding features of a nation-wide radio address by Silas Strawn, president of the Chamber of Commerce of the United States.

On the question of the jobless millions, who are unemployed because the business men who control and manage our industrial life have demonstrated themselves wholly incapacitated for the task, Mr. Strawn took the usual attitude of reactionary employers that keeping the 6,000,000 or 7,000,000 out-of-works just above the starvation point is all the jobless should expect and all society should be asked to do.

To insist, as Labor does, that the owners and managers of industry, who possess the right to employ workers, should adjust working time so as to put all the jobless to work, and thus enable them to provide a living for themselves and their families above the starvation line, was of course not within the range of Mr. Strawn's philosophy, and government action to provide either work or relief for the unemployed was deprecated as an unwarranted burden on the taxpayers.

"We of the Chamber of Commerce of the United States realize full well the serious problem of unemployment," he said. "We American citizens cannot permit the unfortunate to starve in a land of plenty.

"On the other hand, we must not, by the exercise of our usual liberality, encourage vast numbers of the unemployed in the belief that we are about to establish a system of doles, either private or governmental.

"I am in favor of doing everything possible, but we must not be wasteful."

The business establishments of the United States were controlled and administered by the business men when the depression first showed its head in 1929 and have been controlled and administered by the business men right down to the depression present.

During this period, the wage earners have suffered billions of dollars in decreased earnings decreed by business men. From 5,000,000 to 6,000,000 workers whom business men have discharged are dependent on pauper relief for themselves and their families. Hundreds of thousands of farmers are unable to meet interest payments on farm mortgages. Hundreds of thousands of depositors have lost their savings in closed banks.

Despite these facts, and representing those who own and administer industry, Mr. Strawn declared that "the business men of this country are more capable of dealing with existing conditions intelligently, wisely and courageously than are the politicians who exercise governmental functions."

By the phrase "the politicians who exercise governmental functions," Mr. Strawn evidently meant the Congress of the United States composed of Representatives and Senators directly elected by the citizens. Nevertheless, when business men see opportunities for added profits in shipping subsidies or aviation subsidies or a tariff to benefit manufacturers, Mr. Strawn and his associates take a limited special for Washington and demand help from the same "politicians" whose ability and will to assist in remedying existing conditions "intelligently, wisely and courageously" he attacked.

He denied the accuracy of statistics which show that 4 per cent of the population owns 80 per cent of the wealth and supported his denial by a lot of figures on the number of automobiles owned, telephones used, and labor-saving devices in operation. These figures were formerly worked off in a radio address by Myrle Thorpe, editor of the "Nation's Business," the official journal of the Chamber of Commerce, of which Mr. Strawn is the president.

In conclusion, Mr. Strawn found nothing wrong in the present concentration of wealth, and characterized as "bolshevistic propaganda talk about a few rich owning the country or failing to do their duties as citizens." He emphatically opposed all efforts to impose additional taxation upon the wealthy.

Reed Urges Sales Tax to Hit the Poor; Bacharach Demands Heavier Taxes on Rich

Washington, Sept. 19.—A sales tax of one-half of one per cent is advocated by United States Senator David A. Reed of Pennsylvania to meet the deficit of the Government. Reed is a member of the Senate Finance Committee. He estimates the tax would net $2,000,000,000 a year.

The sales tax is a device to collect less taxes from those best able to pay taxes and more taxes from those least able to pay them. It is quite generally favored by the rich and their satellites and opposed by organized labor and other groups which have the interest of the masses at heart.

Representative Isaac Bacharach of New Jersey, a member of the Ways and Means Committee of the House of Representatives, urges increases in the surtaxes, with a graduated increase beyond the maximum 20 per cent rate on net incomes over $100,000, an increase in Federal inheritance taxes, and restoration of the gift tax.

Bacharach's plans would collect heavier taxes from the owners of large incomes.